Alberta Economy

Indicators at a Glance

Real GDP by Expenditure

In 2015, Alberta's real GDP by expenditure fell by 3.6%, the largest drop among the provinces and the first decline in GDP since the 2009 global financial crisis. Nationally, real GDP grew by 0.9% in 2015, down from 2.6% in 2014.

Population

Alberta's population was 4,268,929 as of October 1, 2016. This was an increase of 1.6% from the year prior. Canada's population grew 1.3% from a year ago.

Migration

Net migration to Alberta was 6,594 in the third quarter of 2016. During this time, Alberta welcomed 10,444 net international migrants. However, there was a net outflow of interprovincial migrants (-3,850), the fourth consecutive quarterly decline.

Employment[1]

Alberta gain 6,900 jobs in December. The gain was concentrated in full-time positions and in self-employment. Jobs were added in both the goods sector (5,100) and the services sector (1,800). Employment was down 0.8% year-over-year (y/y).

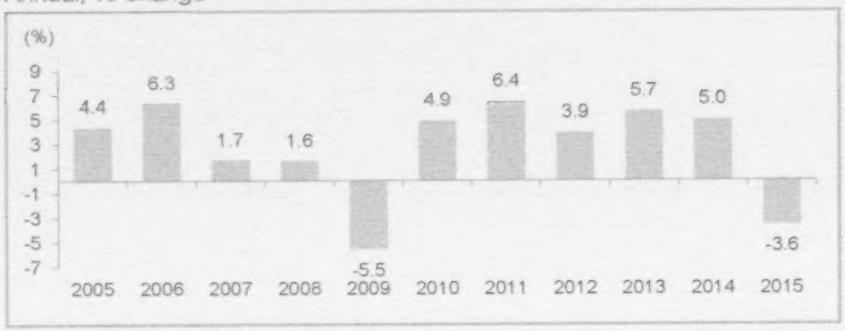
Unemployment Rate[1]

Alberta's unemployment rate decreased to 8.5% in December. Canada's unemployment rate increased to 6.9%.

Rigs Drilling

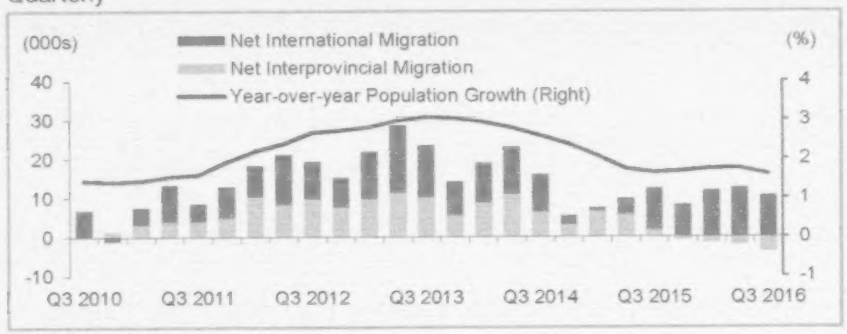
Alberta's rigs drilling count averaged 151 active rigs in December, up 57% y/y with only 33 per cent of rigs in use. There were 212 active rigs drilling across the rest of Canada, up 42% y/y.

Real GDP by Expenditure
Annual, % change



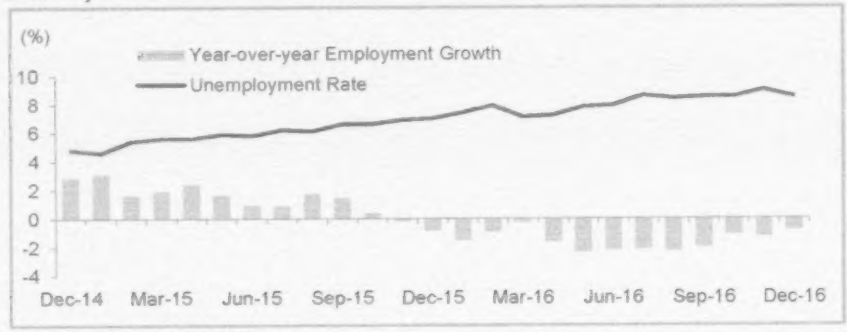
Source: Statistics Canada

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly



Source: Statistics Canada

Alberta Government

January 20, 2017
Treasury Board and Finance
Economics and Revenue Forecasting

NEW: Inflation

The Alberta Consumer Price Index (CPI) rose 1.0% y/y in December. Gasoline prices were up 7.9% y/y while food prices fell 1.2% y/y. Rent was also down 2.0% y/y. Excluding food and energy, inflation was 1.4% y/y.

Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta slipped 0.9% in October to $1,106. Compared with last year, Alberta's AWE declined 2.6%. Canadian AWE fell 0.1% m/m in October to $954.

NEW: Retail Sales[1]

Alberta retail sales slipped 0.5% to total $6.2 billion in November. Sales were down 2.1% y/y, continuing weakness for nearly two years.

Housing Starts[1]

Alberta housing starts increased 6.4% in December to 26,792 units (annualized). Housing starts were up 5.1% y/y, with multi-family starts up 0.7% y/y, and single-family starts up 18% y/y.

New Housing Price Index

Alberta's New Housing Price Index (NHPI) increased 0.2% m/m in November but was down 0.8% y/y. The house only component was down 1.6% y/y while land prices were up 0.8% y/y.

Building Permits[1]

Alberta building permits declined 37% in November to $1,149 million. Building permits were up 3.0% y/y, with residential permits up 10% y/y and non-residential permits down 5.7%.

[1] Seasonally adjusted

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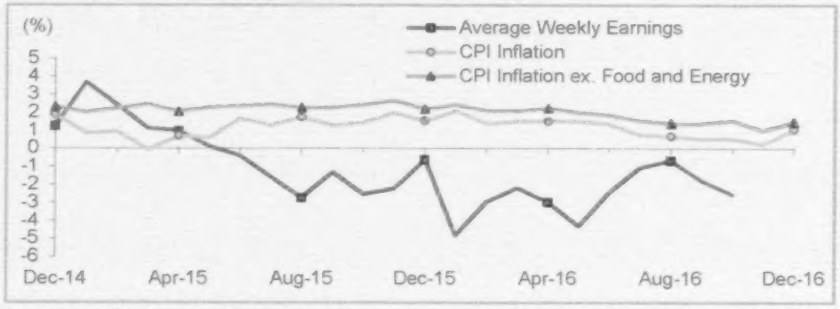
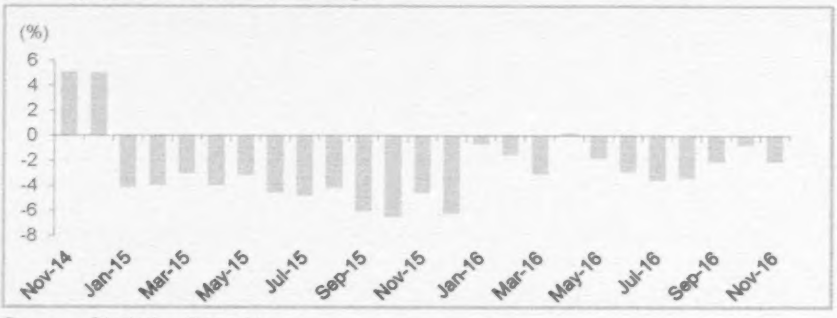
Inflation and Earnings
Monthly, CPI and AWE, year-over-year % change



Source: Statistics Canada

Retail Sales
Monthly, year-over-year % change



Source: Statistics Canada

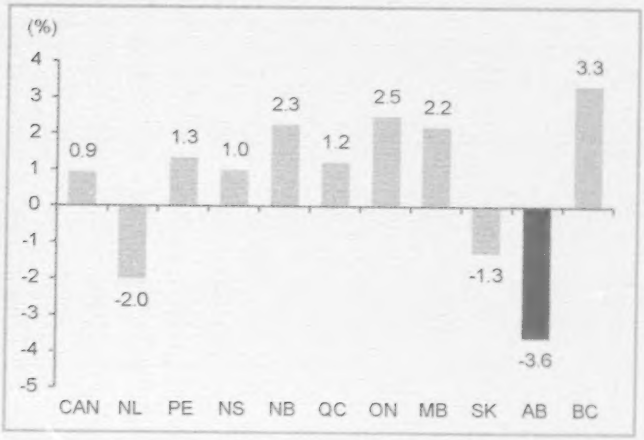
Housing Market
Monthly

Source: Statistics Canada

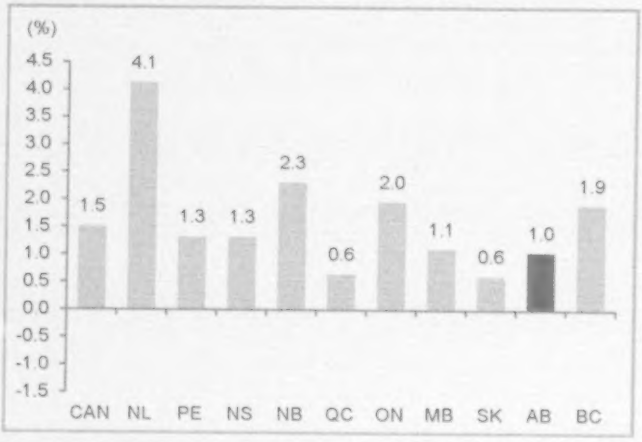
	Canadian Dollar (USc/$CAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (January 19, 2017)	75.02	51.37	3.37	2.48 (November)
Fiscal year-to-date	76.35	46.95	2.77	1.74

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

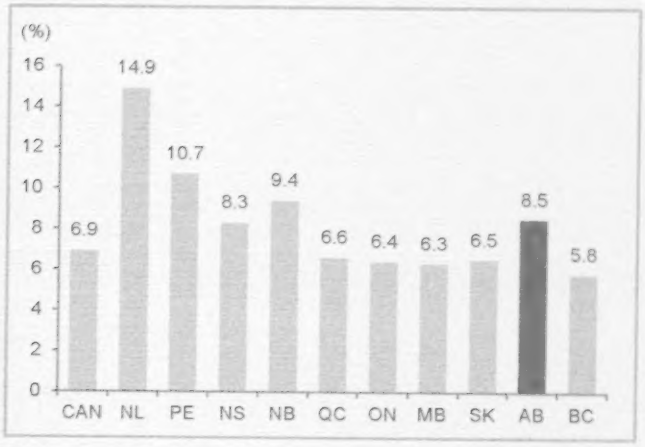
Real GDP by Expenditure
(2015, year-over-year growth)



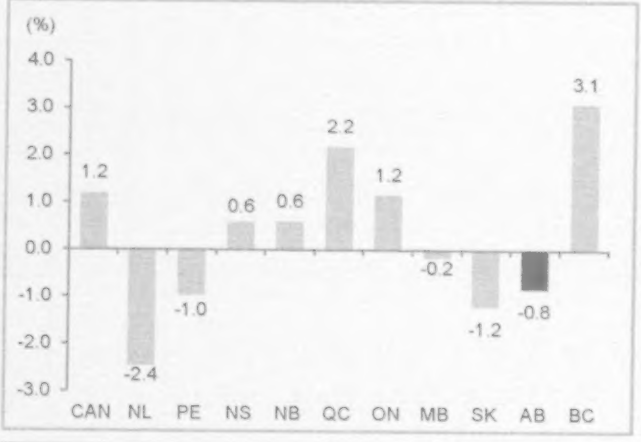
CPI Inflation
(December 2016, year-over-year growth)



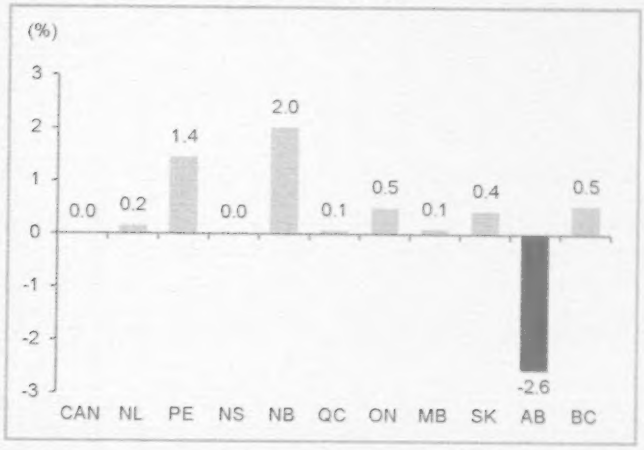
Unemployment Rate
(December 2016)



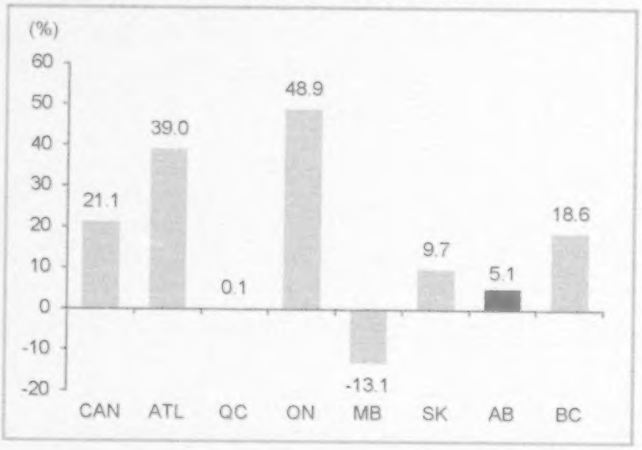
Employment
(December 2016, year-over-year growth)



Average Weekly Earnings
(October 2016, year-over-year growth)



Housing Starts
(December 2016, SAAR, year-over-year growth)



Alberta Economic Indicators

Population[1]	2015	2016	2017YTD	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
Population (thousands)	4,180	4,263	4,269	4,253			4,269		
y/y % change	1.7	1.8	1.6	1.8			1.6		
Net Interprovincial Migration	21,594	2,877	3,850	2,165			3,850		
Net International Migration	16,743	43,041	10,444	12,467			10,444		
Labour Market	**2014**	**2015**	**2016YTD**						
Employment (thousands, SA)	2,275	2,301	2,264	2,248	2,251	2,264	2,273	2,260	2,267
m/m change (thousands)				-1.4	2.7	13.3	9.0	-12.8	6.9
y/y % change	2.2	1.2	-1.6	-2.1	-2.3	-2.0	-1.1	-1.3	-0.8
Unemployment Rate (%, SA)	4.7	6.0	8.1	8.6	8.4	8.5	8.5	9.0	8.5
Participation Rate (%, SA)	72.7	73.0	72.5	72.4	72.2	72.7	72.9	72.9	72.7
Average Weekly Earnings ($, SA)	1,149	1,146	1,117	1,125	1,121	1,117	1,106		
y/y % change	3.6	-0.3	-2.6	-1.1	-0.7	-1.8	-2.6		
Household Sector									
NEW: Retail Sales ($ million, SA)	78,582	74,989	67,493	6,077	6,094	6,126	6,180	6,150	
y/y % change	7.5	4.6	-1.9	-3.5	-3.9	-2.1	0.7	-2.1	
NEW: New Vehicle Sales (units, thousands)	277	242	207	19.1	18.8	20.7	17.2	19.2	
y/y % change	5.3	-12.7	-8.3	-14.2	-13.5	-10.4	-15.1	7.8	
NEW: Consumer Price Index (y/y % change)	2.6	1.1	1.1	0.7	0.7	0.5	0.5	0.2	1.0
Excluding Food & Energy	2.4	2.3	1.7	1.5	1.4	1.4	1.5	1.0	1.4
Housing Starts (SAAR, 000's)	40.6	37.3	24.6	25.6	19.7	29.2	25.6	25.2	26.8
y/y % change	12.7	-8.1	-34.4	-26.8	-43.4	-20.9	-18.5	-40.4	5.1
New Housing Price Index (y/y % change)	3.4	0.7	0.5	0.4	0.5	0.7	1.0	0.8	
NEW: Resale Home Sales	71,773	56,477	52,169	4,488	4,324	4,487	4,766	4,011	4,707
y/y % change	8.6	-21.3	-7.6	-10.5	-12.2	-3.2	6.2	-11.2	7.3
NEW: Sales to New Listing Ratio	0.65	0.52	0.49	0.49	0.49	0.49	0.53	0.44	0.55
NEW: MLS Average Resale Prices ($ thousands)	401	393	395	403	394	399	396	398	402
y/y % change	5.2	-1.9	0.4	2.1	0.5	3.9	1.9	2.6	1.4
Consumer Bankruptcies (level)	3,859	4,280	4,561	381	439	458	440		
y/y % change	-17.7	10.9	28.7	7.9	31.8	20.2	15.8		
Business Sector									
Goods Exports (customs based,$ million)	121,484	92,441	70,665	6,170	7,046	6,923	6,991	7,648	
y/y % change	17.9	-23.9	-17.0	-26.8	-14.2	-13.6	-3.1	-13.1	
Energy Products ($ million)	91,299	62,500	45,728	3,967	4,797	4,701	4,627	5,311	
y/y% change	20.6	-31.5	-20.7	-33.7	-16.7	-14.7	-7.1	-23.5	
Agricultural Products ($ million)	6,462	6,475	5,710	481	437	459	540	612	
y/y % change	4.5	0.2	-3.7	-9.4	-13.6	-2.7	-1.5	8.0	
Rigs Drilling	252	120	79	58	75	80	102	108	151
y/y% change	7.4	-52.6	-34.0	-49.8	-40.2	-29.0	-11.3	-4.9	57.3
NEW: Manufacturing Shipments ($ million,SA)	79,571	68,483	56,974	5,200	5,321	5,296	5,219	5,424	
y/y% change	7.2	-13.9	-9.9	-10.1	-5.8	-4.8	-2.9	0.7	
Wholesale Trade ($ million, SA)	84,656	79,801	61,809	6,095	6,279	6,074	6,051		
y/y% change	8.1	-6.0	-7.9	-7.7	-4.1	-6.5	-3.9		
Building Permits ($ million, SA)	18,256	16,753	12,836	995	1,014	1,261	1,822	1,149	
y/y% change	5.8	-8.2	-17.7	-28.5	-21.4	-11.3	6.5	3.0	
Residential Permits ($ million, SA)	10,831	9,876	6,893	532	563	797	1,060	676	
y/y % change	9.9	-8.8	-25.0	-35.3	-25.6	0.0	-10.7	10.1	
Non-Residential Permits ($ million, SA)	7,426	6,877	5,943	463	451	463	762	472	
y/y % change	0.3	-7.4	-7.1	-18.8	-15.5	-25.8	0.1	-5.7	
Non-Res. Building Cons. Price Index[2] (y/y % change)	1.6	-0.7	-2.9			2.6			
Business Bankruptcies	105	95	99	7	10	10	22		
y/y % change	23.4	-9.5	25.3	40.0	150.0	-11.1	214.3		

[1] Population data presented on a census year basis (July 1– June 30). The current census year 2017.

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.

Sources: All data are from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canada Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (office of the superintendent of Bankruptcy)

All historical data are subject to revision